



# Cabinet Economic Development Committee

## Minute of Decision

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### Essential Transport Connectivity Scheme: Support for Milford Aerodrome and Two Minor Funding Matters

Portfolio                      Transport

On 6 April 2022, the Cabinet Economic Development Committee (DEV):

- 1        **noted** that the Ministry of Transport (the Ministry) is unable to fund the operation of the Milford Sound/Piopiotaahi Aerodrome (the aerodrome);
- 2        **noted** that on 8 December 2021, DEV agreed to extend the Essential Transport Connectivity Scheme (the ETC) to 30 April 2022 [DEV-21-MIN-0263];
- 3        **noted** that the ETC is made up of an aviation sector and non-aviation sector pools, and is likely to have \$1.286 million in the aviation pool and \$10.035 million in the non-aviation pool left on 30 April 2022;
- 4        **agreed** to provide funding for the aerodrome by transferring \$3.175 million of the expected ETC non-aviation sector pool underspend;
- 5        **approved** the following fiscally neutral changes to appropriations to provide funding for the aerodrome, with no impact on the operating balance and/or net core Crown debt:

Vote Transport Minister of Transport	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expense:  Transport – Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	3.175	-	-	-	-
Non-departmental Other Expense:  Maintaining Essential Transport Connectivity	(3.175)	-	-	-	-

- 6 **agreed** to the following changes to appropriations to reflect the expected timing of the operational costs of the aerodrome, with no impacts on the operating balance and/or net core Crown debt across the forecast period:

Vote Transport Minister of Transport	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Departmental Output Expense: Transport – Policy advice, ministerial servicing, governance, and other functions (funded by revenue Crown)	(3.175)	1.500	1.675	-	-

- 7 **noted** that following the transfer above, \$6.86 million remains in the non-aviation ETC pool;
- 8 **noted** that following the transfer above, \$1.286 million remains in the aviation ETC pool, and that this may not be enough to meet future funding needs for the aviation sector;
- 9 **agreed** to transfer \$1 million from the non-aviation sector ETC pool into the aviation sector ETC pool within the Maintaining Essential Transport Connectivity appropriation to allow this funding to be utilised to support the aviation sector;
- 10 **noted** that further advice regarding the future of the ETC will be provided to Cabinet shortly, before the expiry of the existing ETC on 30 April 2022;
- 11 **agreed** to extend the expiry date of the multi-year appropriation *Maintaining Essential Transport Connectivity* to 30 June 2023, to provide flexibility for future decisions regarding the ETC;
- 12 **agreed** that the changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply.

Janine Harvey  
Committee Secretary

**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Megan Woods  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Poto Williams  
Hon Damien O'Connor  
Hon Stuart Nash  
Hon Kris Faafoi  
Hon Willie Jackson  
Hon Michael Wood  
Hon Dr David Clark  
Hon Phil Twyford  
Rino Tirikatene, MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV